



**MEMORANDUM**  
**DEPARTMENT**  
**DIVISION**  
County of Placer

TO: Board of Supervisors

DATE: May 3, 2016

FROM: Kristen Spears, Assessor

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SUBJECT: Adopt a Resolution to Increase Low Value Assessment threshold from \$5,000 to \$10,000

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**ACTION REQUESTED**

Adopt a Resolution to Increase Low Value Assessment threshold from \$5,000 to \$10,000

**BACKGROUND**

In 2002, the Placer County Board of Supervisors approved a Resolution (2002-300) to exempt vessels, aircraft, personal property and business fixtures that were valued at \$5,000 or less. In 2007, the Board approved an additional Resolution (2007-315) to include mining claims, possessory interests and improvements in real estate owned by others (IREO) to the list of items subject to the exemption.

At this time, the Assessor's office is requesting an increase to the threshold of the above named property types to \$10,000 or less. Pursuant to California Revenue and Taxation Code Section 155.20, the Board of Supervisors has the authority to increase the threshold from \$5K to \$10K.

**FISCAL IMPACT**

Upon research conducted by the Assessor's office in 2015, the combined costs associated with performing an appraisal, processing, and collecting taxes on these properties outweighed the amount realized by the County. The estimated cost savings would be close to \$20,000 each year if the low value threshold was increased to \$10,000. In addition, the liberated staff hours could be used to dedicate to other more beneficial pursuits and property owners will see a reduction in minor assessments notices.

**ATTACHMENTS**

Resolution

# Before the Board of Supervisors County of Placer, State of California

In the matter of:

Exemption from Property Taxation  
certain specified property types with an  
assessed value of \$10,000 or less

Resolution No.: \_\_\_\_\_

The following Resolution was duly passed by the Board of Supervisors of the County of  
Placer at a regular meeting held \_\_\_\_\_, by the following  
vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

\_\_\_\_\_  
Chair, Board of Supervisors

Attest:

\_\_\_\_\_  
Clerk of said Board

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WHEREAS, this Resolution under California Revenue and Taxation Code Section 155.20, a county board of supervisors may exempt from property taxation real property with an assessed value so low that, if not exempt, the total taxes, special assessments and applicable subventions on the property would amount to less than the cost of assessing and collecting them; and

WHEREAS, the Assessor has advised, and the Board hereby determines, that the cost of assessing the class of property comprising of vessels, aircraft, unsecured property, business trade fixtures, possessory interests (PI), improvements on the real estate of other owners (IREO), and mining claims, with a full value of Ten Thousand Dollars (\$10,000) or less exceeds the taxes and assessments that would be collected if such property were not exempt from taxation;

BE IT RESOLVED, by the Board of Supervisors, County of Placer, State of California, except as provided below, that all vessels, aircraft, unsecured property, business trade fixtures, possessory interests (PI), improvements on the real estate of others (IREO), and mining claims having an assessed values of \$10,000 or less are hereafter exempt from property taxation.

The \$10,000 exemption above does not apply to an assessee whose total assessment from single or multiple locations within the same tax rate area for personal property, business trade fixtures, possessory interests (PI) and/or improvements on the real estate of other owners (IREO) exceeds the \$10,000.

